(d) The earlier price of the two drugs was based on the pooled price of 6-APA which was Rs. 1230/- per kg. This price was fixed on the assumption that indigenous production and imports of 6-APA would be in the ratio of 1:2.5 and that imports would subsidize the indigenous production at the rate of Rs. 870/- per kg. As the indigenous production increased substantially the volume of imports are not adequate to subsidize the indigenous production. Therefore, pricing of 6-APA had to be revised. The subsidy on 6-APA has now been withdrawn and the pooled price as well as the indigenous price has now been fixed on Rs. 1778/- per kg. The price of three bulk drugs have been revised based on the revision in the pooled price of 6-APA.

Unauthorised expansion by multinational drug companies

96. SHRI NAND KISHORE BHATT: Will the Minister of INDUSTRY be pleased to state:

(a) whether it is a fact that Government had carried out inspection of certain multinational drug companies during the last few years to check their unauthorised production:

(b) if so, the names of multinational drug companies alongwith the initial value of plant and machinery and the present value of plant and machinery of the projects where unauthorised expansion was noticed by him Ministry;

(c) what was the original capacity of the machines and how the additional capacity was obtained;

(d) whether these companies replaced plant and machinery or made additions in the plant and machinery;

(e) what was the report of the inspection in each case;

(f) whether it is a fact that his Ministry issued show cause notices to certain companies; and

(g) names of the drugs and formulations where unauthorised expansion in capacity was done by these companies?

THE MINISTER OF STATE IN THE DEPARTMENT OF CHEMICALS AND PETRO-CHEMICALS (SHRI R. K. JAICHANDRA SINGH): (a) to (g) A Technical Team was appointed to have on-the-spot inspections of plant and machinery of thirteen companies of which M/s. Bayer (India) Ltd., M/s. Pfizer Limited and M/s. Cyanamid India Ltd. were FERA companies. Show cause notices were also issued to some companies. The reports of the Technical Team have been examined by the Govt. It was observed that excess production and higher capacity achieved is due to a number of reasons such as replacement/modernisation, technology improvement and putting up higher capacity itself and it is difficult to attribute the excess production to one reason alone. In the light of the overall Industrial Policy of the Government, it has been decided to re-endorse recognise the capacities in accordance with the various schemes announced by the Govt. from time to time.

Delay in commissioning of a New Telephone Exchange in chandigarh

97. SHRI PAWAN KUMAR BANSAL: Will the Minister of COMMUNICATIONS be pleased to state:

(a) whether it is a fact that the commissioning of a new Telephone Exchange in Sector 34, Chandigarh was accorded approval long back and that the requisite piece of land for the purpose was purchased six years back;

(b) whether it is also a fact that the building plans of Exchange have been approved;

(c) if so, what factors have impeded further progress in the matter; and

(d) by when the construction would start and the exchange would be commissioned?

THE MINISTER OF STATE OF THE MINISTRY OF COMMUNICATIONS (SHRI RAM NIWAS MIRDHA): (a) Yes, Sir.